

**COMMITTEE ON ACCOUNTS, ENROLLMENT
AND REVENUE ADMINISTRATION**

November 18, 2003

3:30 PM

Chairman Shea called the meeting to order.

The Clerk called the roll.

Present: Aldermen Shea, Lopez, Guinta (late), Smith

Absent: Alderman Thibault

Chairman Shea addressed Item 3 of the agenda:

Communication from Guy Beloin, Financial Analyst II, submitting the City's Monthly Financial Statements for the four months ended October 31, 2003.

Chairman Shea asked is there any financial trouble spots or any areas that you feel we should be alerted to?

Mr. Beloin replied no I don't think there are problems of that nature. There is one thing on the revenues that I'd just like to point out. It is a timing difference for the school charge backs on Page 6.

Chairman Shea asked and you're referring to what on the page? If you could refer us to that please.

Mr. Beloin stated at the bottom of the page on the revenue sources. Last year we had \$1.3 million billed out to the School District for charge backs and at this point we have billed most of these amounts here in November. So we are a month late. But there is not problem there, just a timing difference.

Chairman Shea asked but you don't anticipate any problems?

Mr. Beloin answered no.

Chairman Shea asked when do you expect them to pay these?

Mr. Beloin answered I don't know.

Chairman Shea asked do you normally check with them within a certain period of time so as to find out what the status is? Is that what that you do?

Mr. Beloin answered the Treasury Department normally does that.

Chairman Shea asked so if by next months meeting we don't have any kind of resolution I'm sure that you'll come back to us.

Mr. Beloin answered yes.

On motion of Alderman Smith, duly seconded by Alderman Lopez, it was voted to accept the communication.

Chairman Shea addressed Item 4 of the agenda:

Communication from Guy Beloin, Financial Analyst II, submitting the City's unaudited overtime trend reports for the general fund's three largest departments.

Alderman Lopez stated I think we've been working on this overtime. One of the areas that we're really concerned with and I think Kevin Buckley is working with the Fire Department on it and just to let the committee know that Betsie and myself have been over there talking to the Fire Chief and Brent [Lemire] has provided some documentation, which is not exactly what we think, a lay people, we're looking for. And I know Kevin Buckley if you want to enlighten us to where you are and with Brett on that I'd appreciate it so that we could move forward and try to get a handle on the overtime and understand the Fire Department's overtime is the most important thing.

Mr. Buckley stated I'm in the latter stage of my review of the overtime at the Fire Department. I'm in the process of developing three observations that I'll be sending over to the Fire Department before the week is up and I hope to have a report at the next committee meeting.

Alderman Lopez stated I don't know exactly how we stand on the other two major departments.

Chairman Shea stated I think that there is someone from the Fire Department here. I'm not sure if he would want to comment or say anything. Do you have any comments or any concerns about the overtime? Do you have any ideas as to what

is transpiring in regards to the overtime or are you just here to listen to the discussion?

Assistant Chief Francis Monnelly responded actually Brent has been working with Mr. Buckley on the overtime as directed by this committee. This committee as you know asked us to go back and look at our overtime seriously this year and come up with a plan to either lower overtime or look at the possibility of new hires to offset some of that overtime. That currently is what they're doing and what they are trying to achieve is a figure for what reasonable overtime is for the Fire Department and if in fact the Fire Department was to look at hiring new personnel to offset that overtime, how many would that be and when would they come on?

Alderman Lopez stated as I indicated Brent has sent us some charts and in conversation about...I think the most important thing is for the Fire Department to understand what all of the overtime is and what the shifts are and everything and I think he's trying to put it into laymen's terms and figure that whole thing out with Kevin Buckley. I think Kevin even indicated at one time that he had one concept but after going back he learned something else and I think that's where they are at right now. It is just important that we understand that before I think we move on...we haven't talked about the other departments, but whatever you want to do Mr. Chairman.

On motion of Alderman Lopez, duly seconded by Alderman Guinta, it was voted to table this item until information is received from the other major departments.

Chairman Shea addressed Item 5 of the agenda:

Communication from Kevin Buckley, Internal Audit Manager, submitting an audit status update and other business.

Alderman Guinta asked Kevin do you want to give us a quick rundown please?

Mr. Buckley stated I had conducted an audit for the 16 months ended October 21, 2001 when the department was in the middle of a big change of going from the Welfare Commissioner who had been there a long time to a new commissioner. There was some procedural problems going on over there and the City Clerk's office sent some people over, Tina from the Finance office went over and I went over and with the new commissioner and the new people over there we worked on a number of new procedures to use in order to get the expenditures of aid under control because if you remember back then they were extremely high. They had gone out of their budget and three quarters of the year they were way out of their budget. Since that time my prior report had 14 observations in it and since that

time they are resolved every observation except for one has not been worked on yet. That is the way that the City calculates the commissioner's leave accrual and the other one their computerized case management system, where the major parts of what they're trying to do to make their workload more streamlined and efficient has been put into place and there are just some smaller parts that they're still working on doing, but they're making good progress on it. I would like to point out that on the commissioner's leave accrual my prior observation is by ordinance an elected official is not entitled to the same payroll procedures that an employee is. And the ordinance is a little ambiguous as to whether they should be accruing time, whether they have to put in a time sheet and a number of issues like that. And I felt, and I still feel, that that ordinance should be strengthened to clarify the City's position on how this should be handled.

Alderman Lopez stated he's picking the ordinance that where once the Welfare Commissioner becomes an elected official he shall be the department head. We've taken this up under Human Resources one time before and I was wondering if you referring to that particular ordinance?

Mr. Buckley answered the ordinance is Chapter 33:022A, where it says the provisions of 33:020 through 33:082 of this chapter shall not apply to elected officials. All of those sections are the ones that deal with classifications, compensation plans, the things that dictate the leave time of City officials and the compensation of City officials. They've excluded the Welfare Commissioner from them and the issue was when the former Welfare Commissioner left he had accrued a large amount of vacation and leave time, and the current commissioner too really I under no obligation to put in a leave slip or to take leave time because they are an elected official, yet they accrue it. So when they leave service they would get a check for that stuff and there were some issues dealing with that that got into legal issues that I think actually were part of that lawsuit so I really don't want to comment too much about them. But I felt back then and I do now that it should be more clarified. I think if you're an elected official and you're getting this salary and you're under no obligation to put in a leave slip, then you really shouldn't be accruing leave time and getting a pay out when you leave.

Alderman Lopez stated just a follow up and I'll get you some information, back documents that I do have in reference to that subject, because there are certain policies that department heads have to go through in order to get leave. Like notify the Mayor and stuff like that, so there is other documentation and I'll provide that to the committee and to you so that you can make a true evaluation and maybe get with the City Solicitor on it.

Mr. Buckley stated but a department head is a little different than an elected official.

Alderman Lopez stated I realize that. My point being that there is an ordinance stipulating that one the elected official assumes the duties as a department head, that's the key element. And I brought that Tom Clark at one time. Let me get the information to you and then you can make your judgement with Tom Clark.

Mr. Buckley stated but there's also that other ordinance that specifically excludes the Welfare Commissioner.

Alderman Lopez stated that's correct.

Alderman Smith stated just to follow up. The ordinance is law and I was wondering if my colleague here if Human Resources has taken this up to decide whether it should be an ordinance? It says an elected official is non-compliant; he doesn't have to give time slips, he doesn't have to do anything, he can come and go as he wishes.

Alderman Lopez stated to answer your question, at the time, and since the case is still pending, there is some documentation that I think the City Solicitor will have to rule on in that particular area. And maybe you absolutely right, maybe they'll have to change the ordinance and do something else. So I'll just have to work with Ginny and you and the Chairman and we'll go from there.

Chairman Shea stated that sounds like a very good idea, so that there would be some clarification obviously. Right now it is somewhat in limbo.

Alderman Smith stated I would just like to thank you Kevin. I think you've cleared up a lot of matters in the Welfare Department and I'm glad the commissioner is working with you and I am very pleased with the report. I guess there was a lot of things not being kosher back a few years ago and I think that you resolved most of them with the department. I thank you.

Mr. Buckley stated and the City Clerk had a large hand in helping straighten things out over there too. Leo and the team that he sent over.

On motion by Alderman Smith, duly seconded by Alderman Lopez, it was voted to accept the communication.

Chairman Shea addressed Item 6 of the agenda:

Communication from Sharon Wickens, Financial Analyst II, submitting reports as follows:

- a) department legend;
- b) open invoice report over 90 days by fund;
- c) open invoice report all invoices for interdepartmental billings only.
- d) open invoice report all invoices due from the School Dept. only; and
- e) listing of invoices submitted to City Solicitor for legal determination.

Ms. Wickens stated there are no write offs; that's kind of a good thing. I've looked through what we have out there now on the 90 days and over and I don't see anything really drastic on it. One thing that I did do and I think I'm going to start submitting to you every time we meet, is I took the amount of unpaid collections and just did an adding machine tape. I said okay I'm going to take that amount and I'm going to subtract out of it what Airport is trying to collect, because Airport is it's own little animal. If you have questions on Airport, you're certainly going to call them in and talk to them directly. That's like \$1.2 million right off the top. Then I said how much is out there for schools. I took that off. Half a million dollars is meals and rooms. I know we're going to get this money. We get it every year; we get it mid December. That's again \$500,000. After I started segregating some of these pieces and pulling them out, including what is in the Solicitor's hands, I gave you a report of that. I have just under \$11,000 that needs to be collected. That's a far cry from the \$1.9 million, and that's just taking out seven pieces. That's taking out the \$1.2 million for Airport, I have \$142,000 for school, \$500,000 for meals and rooms, that health audit recover that we're trying to get, that's about \$60,000, Traffic is trying to collect from the State of New Hampshire \$26,000, we know we're going to get it it's just they are so slow in coming back to us. We also have about a \$30,000 invoice out there from Police for Department of Justice. Then take out the \$35,000 that's sitting the Solicitor's hands, I come out with \$10,719.82, and I think that that pretty much puts it in perspective to you exactly what we're trying to get. And if I itemize that for you like on one page, I'm still reporting to you every piece of it and you can go through and pick, but at least then you have kind of a snapshot of where you are and I think it might be a little bit easier.

Alderman Smith stated in the report on Page 38, school athletics goes back to year 2002 and I guess they owe the Parks & Recreation for some work that was done and it is quite a substantial amount.

Ms. Wickens stated actually the transaction amount of \$253,000, but the unpaid amount, the amount we're still owed, is just under \$3,000. Both of those items are disputed by school. I think we're going to have to meet and maybe do something. I specifically know about the 61097, they didn't want to go over their budget one year when this was going through. I think it was FY2002. They didn't want to go over their budget so they paid the invoice and didn't pay 61097 because that would have gone over it and then they changed their mind. I do have some paperwork on it that I could furnish for you, but it is only \$3,000 that they owe on that and they are disputed.

Alderman Smith asked can you tell me why it's being disputed if they got the service from Parks & Recreation?

Chairman Shea stated I think I know because I think that they were charging certain money on Parks that the School Department was charging that didn't use. For instance I think that came up at one of their meetings that Prout's Park I thought the School Department doesn't use Prout's Park and I think they were billed for that, if I'm not mistaken.

Ms. Wickens stated Parks is saying that they do owe for it, school is saying they don't. I think we need to sit down and iron out some of these old ones and if they're not going to pay it, let's just get rid of them.

Alderman Smith asked is anybody here from the Police Department? I notice all of these insurance companies come in and get accident reports. I think we should have the department saying that if an insurance agent comes and wants an accident report that they pay to get that report.

Ms. Wickens stated this was something that was brought up maybe six months ago and Police did come in and address it. And they were supposed to be not issuing any reports until they were paid up to date. I can certainly check with them because it does look like it is getting hefty again. They had cut it down; it was quite a few pages. It's not a big dollar amount, but it shouldn't even be out there, so I see what you're saying.

On motion of Alderman Guinta, duly seconded by Alderman Lopez, it was voted to accept the communication.

Chairman Shea addressed Item 7 on the agenda:

Communication from Sharon Wickens, Financial Analyst II, submitting additional information relative to two write-off listings previously discussed at the October 21st meeting of the committee.

Alderman Smith stated I don't have a problem with the first one but the second one, the current balance is \$353.53 and I feel that it should be collected. I don't know what you're feeling is, but they're doing work in the City, all over the City, seven days a week practically, and I don't know what the circumstances are. There might be a circumstance why they're not paying it, but the service was performed and they still owe money.

Ms. Wickens replied right and they haven't paid this and numerous letters have gone out. The problem is the Solicitor's office kind of felt they would be inundated with some of the small dollar amounts, so we set a dollar amount of \$1,000 saying anything under \$1,000 isn't going to go to them. But I think this should be like a case by case basis. We know that R.H. White is working in the City and so in this case we should say you know what I think that a letter from the Solicitor's Office may say wow they're getting their legal involved, maybe I better pay this. And I think that they probably would. The reason I didn't send it was because we said we were going to kind of look at it case by case, but I think that that's reasonable and I think that you collect it.

Chairman Shea asked do you reason that you should get together with the City Solicitor to have a letter sent?

Ms. Wickens answered that's exactly what I'll do. Is I'll take the invoice and say that the committee would like a letter sent on this.

Alderman Lopez stated I was going to ask Alderman Smith do you want to make that motion because the policy is \$1,000, that's what she was indicating. Do you want here to try to collect it?

Alderman Smith answered I would think so. My only reason is that Traffic crew had several people out there working and if they were doing on that job was a loop I would imagine they destroyed some conduit during construction and I would imagine they could have performing other services for the City. So I really think that we should go after this.

On motion of Alderman Smith, duly seconded by Alderman Lopez, it was voted that Ms. Wickens send a request to the City Solicitor for them to forward a letter to R.H. White for collection of the balance they owe the City.

Chairman Shea stated Tom Arnold just came in. Obviously a letter is going to be sent from Sharon to you Tom regarding collection of under \$1,000 from a company that owes the City, and still works within the City and is not paid. She will get together with you Tom. One other point that I'd like to bring up. One of the Aldermen, Betsie DeVries, did bring up when we discussed about the septic system concerning collection of fees from people outside the City that are using our waste management treatment and an item here submitted by KC Septic. I wondered there's a discussion about accepting sewerage from other communities and the discussion is should the communities like Kingston or others be held liable for unpaid balances? I'm not sure whether this item is a private individual or whether it's a community related situation here.

Ms. Wickens stated this is somebody that did services for EPD and we actually turned over all of the invoices to the City Solicitor. I don't know if Tom...

Chairman Shea stated he probably wouldn't have a record of that individually, but this is KC Septic that was submitted to the City Solicitor, 11402, and I'm just trying to piece together things because at the meeting tonight or one of the meetings, I believe the Administration meeting, there's a request to accept sewerage from out of town places. So I don't know whether there is some sort of precedence here that we want to avoid or whether we're going to be doing something for communities and they are not going to be fulfilling their obligations. Private people within communities.

Deputy City Solicitor Tom Arnold stated with respect to the status of the KC Septic, I would have to look into that quite frankly for you. It's been a short while since I reviewed that with my staff. That, if my recollection serves me correctly, was private haulers from within Manchester here. So I don't think that it would have involved agreements to accept septage from other towns.

Chairman Shea stated I know that it is going to be brought up at the Administration meeting today concerning accepting...

Alderman Lopez stated there were two contracts that are going before the Administration Committee in reference to that particular subject. Is it your anticipation that you're going to amend that so that we can be covered in the event that the charges are there? Or how is that going to...?

Mr. Arnold answered we could certainly seek to do that, but that would take the agreement to the respective towns involved and I don't know whether it would be successful with that or not. We could certainly ask, I presume, but there are certainly other septage agreements that have already been entered into that that I don't think have that language in it.

Alderman Smith stated I think what is going to happen tonight, Tom Siegel from EPD is going to make a presentation I believe and probably that's the best direct way to go to see how he is going to bill these individual towns without bringing in septic waste. If it passes before the board tonight.

Mr. Arnold stated I believe that the agreements really don't pertain to a town sending septage, accepting septage coming from another town. It is usually from private sources.

Alderman Smith asked so what you're telling me then it is going to be the individual business that is going to be responsible, not the town? Even though the town is asking us if they can dispose their waste?

Mr. Arnold replied that is the way that it's presently structured yes.

Alderman Smith stated I would like to thank Sharon for the report.

On motion of Alderman Lopez, duly seconded by Alderman Smith, it was voted to accept the report.

There being no further business to come before the committee, on motion of Alderman Smith, duly seconded by Alderman Lopez, it was voted to adjourn.

A True Record. Attest.

Clerk of Committee